

# LESSON 3:

## Budgeting and understanding what your scholarship covers

### Introduction and learning goals

*It is important for Scholars to understand what expenses their 21st Century Scholarship does and does not cover so they can prepare for additional costs. This lesson will help students:*

- *Understand what college expenses the 21st Century Scholarship covers*
- *Learn how to plan and budget for additional costs*
- *Explore ways to save for college expenses*



### Agenda

**Timing:** approximately 55–80 minutes (will vary by class size)

1. Warm-up: What expenses does the 21st Century Scholarship cover?
2. How to create a budget
3. Wrap-up/Reflection: Ways to save for college expenses



### Items needed

1. A copy of the College Success Guide for each student in the class. If students don't have copies on hand, you may download a printable PDF at **Scholars.IN.gov/transitiontocollege**. For this lesson, refer to pages 10–15.
2. Computers with Internet access. Depending on computer availability, students can work in pairs or small groups to conduct online research.
3. A basic calculator for each student (or make sure there's a calculator available on each computer).
4. Dry-erase board, chalkboard or large sheet of paper.
5. Worksheets included in this lesson (make a copy for each student in the class):
  - Understanding what my 21st Century Scholarship covers
  - Estimating your budget (also on pages 12–15 in the College Success Guide)



# Activities

1

## *Warm-up: What expenses does the 21st Century Scholarship cover?* (20–25 minutes)

### **Distribute the worksheet: “Understanding what my 21st Century Scholarship covers.”**

Give students 10–15 minutes to answer the warm-up questions to the best of their knowledge. Students may use their College Success Guide and the Scholars website, **Scholars.IN.gov**, for help finding answers.

Then, as a group, use the worksheet as a guide to briefly discuss what expenses the 21st Century Scholarship does and doesn't cover, what other types of financial aid students might be eligible for, the importance of searching for other scholarships, additional funds/incentives some colleges offer for 21st Century Scholars, and other ways to cover expenses (loans, savings, income, etc.).

2

## *How to create a budget* (25–35 minutes)

### **Distribute the worksheet: “Estimating your budget.”**

This worksheet is also included on pages 12–15 of the College Success Guide. Provide clean copies to students who have already completed the worksheet in their College Success Guide.

Use the worksheet to walk through the following steps for creating a budget:

- Calculate income. Account for any financial aid being paid directly to the student, but not any financial aid being paid to the college (such as the 21st Century Scholarship). If students aren't sure what financial aid they may be receiving, tell them to leave it blank. Allow students 5–10 minutes to complete this section of the worksheet.
- Estimate expenses. Allow students to use the computer to research the cost of the college they plan to attend. This information usually lives on the admissions or financial aid page of a college's website. Direct students to **Scholars.IN.gov/eligiblecolleges** for a list of colleges that accept the 21st Century Scholarship and links to their pages. Students should account only for tuition and fees not being covered by grants or scholarships paid directly to the college. Give students 15–20 minutes to research and complete this part of the worksheet.
- Subtract total expenses from total income. Allow students about 5 minutes to calculate their per-semester and per-month totals.



# Activities

## 3

### *Wrap-up/Reflection: Ways to save for college expenses*

(10–20 minutes)

Ask students to individually complete the last column of the “Estimating your budget” worksheet (page 15 in the College Success Guide). Give them about 10 minutes. Then, invite students to share their answers to the last question — “What are some other ways you plan to save money and cut down on your costs during college?” — with the group and record students’ answers on the dry-erase board, chalkboard or large paper. Encourage students to also jot down the responses that are shared with the class, so they may save these ideas for their own financial planning.





# Worksheet

## » Understanding what my 21st Century Scholarship covers

Use the following worksheet to identify what sources of funding you're planning to use for college expenses. By listing the scholarships and financial aid you expect to receive, you'll be able to see what college costs you may need to cover with savings, loans or other income.

### *My future college*

**The college I plan  
(or most likely plan)  
to attend is:**

**This institution is a:**  
(Check all that apply.)

☐ Two-year college

☐ Public institution

☐ Four-year college

☐ Private institution

### *21st Century Scholarship and financial aid*

Based on my college choice above,  
what should my 21st Century  
Scholarship cover?

What expenses will my 21st Century  
Scholarship NOT cover?



# Worksheet

## » Understanding what my 21st Century Scholarship covers (cont.)

### 21st Century Scholarship and financial aid (continued)

Besides the 21st Century Scholarship, what other financial aid (grants, scholarships and/or loans) do I expect to receive?

Grants and/or scholarships:

Loans:

What additional funds or incentives are available for Scholars at my college?

Visit **Scholars.IN.gov/incentives** for a list of incentives and funds offered to 21st Century Scholars at each college, or visit the specific college's website.

In addition to the other grants, scholarships and/or loans listed above, how do I plan to cover my additional college expenses?



# Worksheet » Estimating your budget

You may not yet know exactly what your financial aid package looks like, what wages you will earn or what expenses you will incur during college. But, you can start thinking now about how you will budget your money. Use these worksheets to estimate your budget. Visit your college's website to find out how much it costs to attend their school. You may also need to do some online research to find typical costs for books, supplies, meals and other expenses.

| <i>Income</i>  | <i>Per semester</i> | <i>Per month</i> |
|--|---------------------|------------------|
| <b>Financial aid paid directly to you</b><br>(grants, scholarships or student loans) |                     |                  |
| <b>Work wages</b><br>(after taxes)   |                     |                  |
| <b>Savings</b>   |                     |                  |
| <b>Other income</b>  |                     |                  |
| <b>TOTAL INCOME</b>  |                     |                  |





# Worksheet » Estimating your budget (cont.)

| Expenses   | Per semester | Per month |
|--|--------------|-----------|
| <b>Tuition</b><br>(\$\$ not covered by grants and/or scholarships) |              |           |
| <b>Room/housing</b><br>(rent, plus utilities if living off campus) |              |           |
| <b>Food</b><br>(meal plan, groceries, coffee, dining out, etc.)    |              |           |
| <b>Books</b>   |              |           |
| <b>School supplies</b>   |              |           |
| <b>Phone</b>   |              |           |
| <b>Insurance</b>   |              |           |
| <b>Clothes</b>   |              |           |
| <b>Entertainment</b>   |              |           |
| <b>Transportation</b>  |              |           |
| <b>Other</b>   |              |           |
| <b>TOTAL EXPENSES</b>  |              |           |



# Worksheet » Estimating your budget (cont.)

Use your estimates from the previous pages to determine if your income will be enough to cover your expenses. You may need to consider another source of income or identify what expenses you can possibly cut.

## *Income vs. expenses*

**Subtract your total expenses  
from your total income**

(per semester)

**Subtract your total expenses  
from your total income**

(per month)

**Do your expenses total more than  
your income?**

**If so, what expenses might you  
consider cutting?**

**What ideas do you have for  
additional sources of income?**

**What are some other ways you plan  
to save money and cut down on  
your costs during college?**